

Standard Operating Procedure for requesting the Common Agreement (Vendor Code) Number on USDA Interagency Agreements

Purpose of the procedure: This procedure is being implemented to comply with OCFO bulletin #2002-006, Common Agreement Numbers.

Policy: This OCFO bulletin requires that USDA agencies must assign a common agreement vendor code to each agreement that they enter into with another USDA agency. This common agreement vendor code will be used by the accountants in USDA to eliminate interdepartmental balances for the USDA consolidated financial statements. Currently, this new procedure applies only to agreements between USDA agencies. The procedures for assigning “actual” APHIS agreement numbers is not changing. Continue to assign the actual agreement numbers using your existing procedures.

Definitions:

Providing Agency: The agency selling goods or services to another agency is the providing agency.

Receiving Agency: The agency buying goods or services from another agency is the receiving agency.

Common agreement vendor code: An 11-digit code that must be assigned to each agreement that USDA agencies negotiate with each other, and must be used to record the obligation or reimbursement transaction in the Foundation Financial Information System (FFIS).

Responsibilities: Any individual who prepares interagency agreements (between two USDA agencies) must follow these procedures.

1. When a request is made to the Agreements Team to complete a USDA interagency agreement, the Agreements Specialist will complete the AD 672 and assign it an APHIS agreement number using existing procedures.
2. The Agreements Specialist will obtain signatures from both Agencies.
3. After the agreement is signed by both agencies, the agreements specialist will determine which agency must request the common agreement vendor code. In order to make that determination, use the following definitions for providing agency and receiving agency.

Providing agency is the agency providing the service and receiving reimbursement from another agency. Receiving agency is the agency receiving the service and paying the providing agency. *The receiving agency is responsible for requesting both common agreement (vendor code) numbers from NFC.*

4a. If APHIS is the receiving agency, a signed copy is returned to the agreements specialist. The agreements specialist will log into FFIS, and enter a request on the COMT table for the common agreement (vendor code) number. (Instructions for entering FFIS and requesting codes from COMT are attached.) **Enter the following information on the COMT table for both the receiving agency and the providing agency:**

Agency name

Agency Address

Agency Location Code (ALC) (APHIS's ALC is 12-40-3400)

Agency code (APHIS is 34)

Agency Agreement No.

Agency Contact

4b. If APHIS is the providing agency, the agreements specialist will forward the copy of the signed agreement to their contact in the other agency. That agency will be responsible for assigning the common agreement vendor code.

5. The agreements specialist should put the signed agreement in a tickler file and monitor the COMR table over the next day or two to find NFC's response. (NFC attempts to respond to these requests with 24 hours.)

6. NFC personnel will read the request on the COMT table and assign the common agreement vendor code. (NFC will actually assign two common agreement vendor codes; one will end in a "P" for providing agency, and one will end in a "R" for receiving agency.) NFC will advise the agreements specialist of the number using the COMR table.

7. When NFC assigns the number (via the COMR table) the Agreements Specialist will write the common agreement vendor code ending in "P" (the one for the providing agency) on the AD-672 and submit the AD 672, interagency agreement to the Minneapolis Financial Services Branch, Payments Team for obligation. The agreement document must include the common agreement vendor code and the MO number (which is the APHIS agreement number).

Note: Determining which common agreement vendor code (the one ending in "P" or "R") to put on the agreement for obligation can be confusing. Think of it this way: If APHIS is receiving goods or services from another agency, we will pay them for the goods or services and record an obligation on our books. In this case, we want to record the *providing* agency's vendor code, because they are the "vendor" we are dealing with. The agency that bills us will put the common agreement vendor code ending in the "R" on the bill, because we are their "vendor".

8. When the Payments Team notifies the agreement specialist that the MO is established, the agreements specialist will send a copy of the agreement to his/her contact in the

providing agency, highlighting the common agreement numbers and the APHIS MO number to use when they bill APHIS.

9. The agreements specialist will send copies of the completed AD 672 and related information to the APHIS program office and the Financial Management Division, Financial Systems Services Branch to be utilized during year end close.

Instructions for entering FFIS and requesting codes from COMT are attached.